



2003 Annual Report of the Environmental Finance Center Network

Region 5 - Cleveland State University

*Cleveland State University is the Environmental Finance
Center serving the Great Lakes Region*

Introduction

The Great Lakes Environmental Finance Center (GLEFC) assists communities and public, private, and non-profit sector entities in the Great Lakes states of Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin build innovative, cost effective, and high quality strategies for environmental improvement and sustainable economic development.

The GLEFC is housed within the Maxine Goodman Levin College of Urban Affairs at Cleveland State University to provide technical assistance and training in environmental financing for state and local governments, as well as public, private, and non-profit organizations in the Region 5 states. The Center assists these entities in solving financial

problems related to environmental facilities and resources. Services include financial and economic analysis and strategies; policy analysis and planning; brownfields community advisory services; study and information services; and training seminars and conferences. The GLEFC utilizes many tools to assist clients, including financial and budget analysis, market and impact analysis, best practice reviews, training seminars and conferences, focus groups and community visioning/strategic planning processes, and environmental planning and program evaluation.

Accomplishments

In 2003, the GLEFC portfolio of ventures included several new projects, ongoing partnership enterprises that will continue indefinitely, and second and third phases of externally funded projects. The GLEFC provided technical assistance, applied innovative technology, seminars, training, counsel, and testimony to local, state, federal; and not-for-profit organizations and clients throughout Region 5. The GLEFC continues to provide support to the Federal Executive Board of Northeast Ohio in facilitating an intergovernmental (federal, state, and local) collaboration on brownfield finance and redevelopment, now on a state-wide basis. The GLEFC is working with EPA's Region 5 Brownfields Office to assist in initiating regional brownfield collaboration. In addition, the GLEFC is working on a broad array of environmental public policy initiatives that are externally funded, multi-stage, and multi-client projects with the Ohio Department of Natural Resources, the National Oceanic and Atmospheric Administration (NOAA), and the National Estuarine Research Reserves.

Brownfields Technical Assistance

- **Brownfields One-Stop-Shop (BOSS) Forum.** The GLEFC convenes a quarterly forum of federal, state, and local government economic development and environmental officials, commercial and investment bankers, insurance executives, foundation officials, and developers to review brownfield redevelopment projects seeking financial and programmatic support. The principal Forum partners include:
 - U.S. Department of Agriculture (USDA), Urban Conservation, Soil and Water Conservation District.
 - U.S. Department of Commerce, Economic Development Administration (EDA).
 - U.S. Army Corps of Engineers, Buffalo District.
 - U.S. Department of Housing and Urban Development (HUD).
 - U.S. Environmental Protection Agency (U.S. EPA).
 - U.S. Department of Justice (DOJ).
 - National Park Service, Cuyahoga American Heritage River.
 - U.S. Small Business Administration (SBA).
 - Federal Home Loan Bank (FHLB).
 - Ohio Department of Development (ODOD).
 - Ohio Environmental Protection Agency (OEPA).
 - Ohio Department of Transportation (ODOT).

- Ohio Water Development Authority (OWDA).

In 2003, the BOSS Forum convened two meetings in Cleveland, Ohio with over 80 attendees representing public, private, and not-for-profit organizations. The BOSS program included six (6) brownfield redevelopment projects from cities throughout the state, including:

Meeting 1:

- Barberton: Van Buren Industrial Park
- Newark: Newark Processing Site
- Dayton: GM Harrison/Taylor Street Project

Meeting 2:

- Columbiana County Port Authority: National Refractory Site
- Village of Newburg Heights: ISG Landfill Site
- Belmont County: Neffs Sanitary Sewer

Initially a partnership between the GLEFC and the Federal Executive Board of Northeast Ohio, in 2003, the GLEFC expanded the program of the BOSS Forum from northeast Ohio to a state-wide geography, to achieve two goals:

1. To achieve an economy of scale in the market for brownfield redevelopment projects; and
2. To attract an effective level of (interagency and intergovernment) participation from federal, state, and local officials, commercial and investment bankers, environmental insurance executives, environmental engineers and attorneys, foundation officers, and developers.

In late 2003, To facilitate the expanded geography, the BOSS Forum merged with the Columbus, Ohio based Ohio Brownfield Finance Partnership (BFP), an organization initiated by the Ohio Water Development Authority. The new partnership will foster greater geographic and programmatic participation with quarterly meetings throughout the year.

- **Brownfield Technical Assistance, U.S. EPA.** At the request of the U.S. EPA Region 5 Brownfields staff, The GLEFC provided technical assistance to local government brownfield efforts in northeast Ohio, including:
 - Urban Community School: purchase of a contaminated property for the relocation of the school, including providing guidance on phase I and II analysis of the site and application for remediation grants
 - Cuyahoga County Brownfield Revolving Loan Fund

- Cleveland Veterans Affairs Medical Center Navigation Team: the GLEFC provided funding and site location consulting services to the VA Team on the environmental issues regarding the relocation of the Brecksville (Ohio) VA facility to the Wade Park section of Cleveland.
- **National Brownfield Association, Ohio Chapter Board Member.** EFC Director Kevin O’Brien serves as the Academic Chair on the Ohio Chapter Board of the National Brownfields Association.
- **Brownfield News, Editorial Board.** EFC Director Kevin O’Brien serves on the Editorial Board of the Brownfield News magazine, as the “brownfield finance” editor.

Finance and Policy Research and Technical Assistance

- **Economic Impact of Infrastructure Investment in Northeast Ohio, 1982 - 2002.** The GLEFC is partnering with the Greater Cleveland Growth Association (Chamber of Commerce) and Team NEO (the regional economic development authority) to define the economic impact of investment in greater Cleveland’s road and bridge, water distribution, water treatment, and transit infrastructure over a twenty-year period. Financed by the Ohio Urban University Program and the Growth Association.
- **Slanted Pavement: How Ohio’s Highway Spending Shortchanges Cities and Suburbs, Brookings Institution, Center on Urban and Metropolitan Policy:** The GLEFC conducted a research project (financed by the Cleveland Foundation and Brookings) to examine the flow of gas tax funds to invest in the sustainable future of Ohio’s roadways. The report was published and presented by Brookings in March, 2003, in Washington, D.C. and Columbus, Ohio.
- **Extending the Amortization Period of Major Capital Projects: Useful Life Workgroup, U.S. EPA Environmental Finance Advisory Board (EFAB):** The GLEFC is participating on an EFAB Workgroup concerned with exploring strategies for creating new revenue flows and linking the amortization of debt to the useful life of the capital installation being financed. A report will be issued in 2004.

Program Development and Evaluation

- **Clean Ohio Brownfield Redevelopment Grant Program and Council:** The GLEFC assisted the Ohio Department of Development and its Clean Ohio program to develop criteria for the evaluation of its second year of operation of its redevelopment grant program and to recommend changes to its application process for the third year of operation.

- **Proposal Strategy: ODOD Appalachian Initiative, Ohio Department of Development, Clean Ohio Program:** The GLEFC assisted the Clean Ohio Brownfield Redevelopment Program in developing an RFP, application process, and evaluation criteria for a brownfield grant fund dedicated to the rural Appalachian region of Ohio.
- **Small Drinking Water System Technical Assistance Proposal Review, Midwest Technology Assistance Center (MTAC), University of Illinois:** The GLEFC assisted the MTAC in reviewing proposals for the provision of technical assistance to small drinking water systems in U.S. EPA Region 5. The GLEFC evaluated and ranked the proposals for MTAC.
- **Coastal Resources Management Training Needs Assessment: Ohio Department of Natural Resources, Old Woman Creek National Estuarine Research Reserve, and the Ohio Sea Grant College Program):** In 2003, the GLEFC concluded a year-long project to assess the market for Coastal Resources Management Training Needs of the Lake Erie Basin in Ohio. The assessment (and market analysis of a prior project phase) defined the market needs for the services of the three agency partners to deliver/coordinate training for policy makers in the Lake Erie Basin. The needs assessment and market analysis served as the data and information base for a strategic plan for Coastal Resources Management for the three agencies. The GLEFC utilized 6 focus group (involving 90 policy makers) sessions across the 170 mile Lake Erie Basin to define the market need for coastal resources management training. The GLEFC bid competitively for the externally funded needs assessment project.
- **Coastal Resources Management Training Strategic Planning: Ohio Department of Natural Resources, Old Woman Creek National Estuarine Research Reserve, and the Ohio Sea Grant College Program):** In 2003, the GLEFC initiated a strategic planning exercise (to culminate in early 2004) for the coordination and provision of Coastal Resources Management Training in the Lake Erie Basin in northern Ohio. The GLEFC bid competitively for the externally funded strategic planning project.
- **Coastal Training Trends Analysis, National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce:** The GLEFC has been engaged by NOAA to review the trends in the strategic plans of the network of 26 National Estuarine Research Reserves' (NERRs) Coastal Training Programs. The GLEFC bid competitively for the externally funded NOAA project.

Brownfields Seminars/Training

- **Redeveloping Brownfields: Making a Smart Investment Seminar:** At the request of the U.S. EPA Region 5 Brownfield Staff and the Mahoning River Corridor of Opportunity, the GLEFC planned and presented a "lenders" seminar in Youngstown, Ohio for local government officials seeking to finance the redevelopment of

environmentally challenged property. The 30 attendees heard from industry experts speaking including commercial bankers, environmental insurance executives, and environmental attorneys, to explore the linkage between funders and local government and private brownfield redevelopment efforts, including:

- The Small Business Liability Relief and Brownfield Revitalization Act and what it means;
- Lending on brownfields: the basics;
- How to evaluate an environmental assessment; and
- How to determine the need for environmental insurance.

Participant feed back was very positive. The GLEFC plans to replicate the seminar in 2004.

- **Brownfield Redevelopment: Nuts and Bolts Finance Seminar, U.S. HUD and U.S. EPA:** At the request of the U.S. EPA Region 5 Brownfield Staff, the GLEFC developed a brownfield redevelopment finance workshop at the EPA Region 5 Headquarters in Chicago. The GLEFC developed and utilized 3 case studies in the workshop to training the 57 participants on the steps in determining the redevelopment viability of a brownfield site, how to develop a pro forma, and how and where to seek financing for the redevelopment.
- **Healthy Homes National Conference, U.S. Department of Housing and Urban Development, U.S. EPA, and the Centers for Disease Control.** The GLEFC conducted several sessions over the course of six-month planning process with HUD, EPA and CDC Healthy Homes Conference planning staff to develop a strategy to guide the interagency planning for the 2004 Healthy Homes National Conference to be held in Orlando, Florida in June, 2004.
- **Ohio EPA Voluntary Action Program (VAP) Training for Certified Professionals:** The GLEFC participated in an Ohio EPA training session for certified professionals (environmental engineers). The training sessions are presented twice annually to outline changes in the process for compliance with VAP (brownfield redevelopment) standards and to present innovation/best practices in brownfield redevelopment in Region 5. The GLEFC presented the best practices and innovation in financing brownfield redevelopment.
- **CASTLO Open House, Youngstown, Ohio.** The GLEFC presented information on funding availability for brownfield redevelopment at a conference of a community development corporation in Youngstown, Ohio. The conference had 50 attendees.

- **Ohio Brownfield Finance Partnership.** The GLEFC participates in the discussion group convened by the Ohio Water Development Authority between private developers, and bankers to discuss the opportunities in the finance and redevelopment of brownfields.
- **Brownfield 2003 Conference.** The GLEFC participated in the program of the Brownfields 2003 Conference in Portland, Oregon.

Finance and Policy Seminars/Workshops

- **Environmental Finance in the Great Lakes Region seminars for the Cleveland Council on World CapFinance Training.** The GLEFC conducted environmental finance seminars for U.S. Agency for International Development and U.S. Information Agency sponsored trips for foreign officials and academics. The seminars included the following participants:
 - Russian Environmental Officials (10)
 - Brazilian Mayors (12)
 - South Korean Environmental Academics (4)
 - Canadian Environmental Academics (5)
- **CapFinance Training.** The GLEFC participated in training session at Boise State University for small and medium sized local governments in Idaho and Oregon on the capital planning and financing software package developed by the Boise State EFC. The GLEFC provided a presentation on GLEFC Asset Management and GASB 34 Compliance or *How Does CAPFinance Assist Your City in Managing Infrastructure.*

New Initiatives for 2004

The GLEFC will pursue both continuing and new initiatives in 2003, in the policy areas of brownfields and sustainable futures.

- The GLEFC will continue to assist the Clean Ohio Council with review of decision rules and administrative process for the annual Clean Ohio (brownfield) Remediation Fund grant program. The GLEFC is entering its third cycle of the review.
- The GLEFC is continues to conduct an evaluation of the State of Ohio's Brownfield Revolving Loan Funds.
- The GLEFC will continue to convene Brownfield One Stop Shop (BOSS) Forum and to expand the program's geography to both reach economies of scale on brownfield remediation and on the ongoing supply of fundable brownfield projects.

- The GLEFC will continue to work on brownfield related activities through the U.S. EPA, Region 5 office.
- The GLEFC will finalize its strategic planning process with the Ohio Department of Natural Resources, the Ohio Sea Grant Program, and the Old Woman Creek National Estuarine Research Reserve on the development of a Coastal Resources Management strategy and program for the Lake Erie Basin.
- The GLEFC will assist NOAA and its National Estuarine Research Reserves on strategic planning for Coastal Resources Management Training Needs for policy makers.

Network Collaboration

- CAPFinance. The GLEFC continues to collaborate with the Boise State University EFC to provide training to drinking water and water treatment utilities on the use of CAPFinance, the capital asset management system.
- The GLEFC will continue to work with the members of the Environmental Finance Center Network (EFCN) as collaborative projects emerge.

Presentations, Conferences and Meetings

The GLEFC will continue to make presentations in national, state-wide, regional, and local professional/industry trade groups and organizations on environmental finance related topics. The organizations include the Council of Infrastructure Finance Authorities, Government Finance Officers Association, National League of Cities, Municipal Leagues, national brownfields conferences, Build Up Greater Cleveland, the Federal Reserve Bank of Cleveland, and U.S. EPA Region 5.

RESULTS

The Great Lakes Environmental Finance Center continues to provide assistance to state agencies and local communities and not-for-profit organizations on environmental compliance and sustainable strategies. The continued growth in the annual GLEFC program and the expanding partnerships with national, state, and local entities provides evidence of the impact of the organization.